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CROPS AND MARKETS

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CONTENTS

Number 11

COTTON

Page

Canadian Cotton Consumption Up.	20
India Expects Smaller Cotton Crop	20

DAIRY AND POULTRY PRODUCTS

Finland's Butter Exports Decline Sharply	5
United Kingdom Eating More Poultry	5
Italy Announces Dollar Area Poultry Import Quota	5

FATS, OILSEEDS, AND OILS

Thailand's Peanut Production and Exports Up in 1961	13
West Germany's Fish Oil Market Sluggish	13
Sudan's Castor Bean Harvest To Be Large	14
Sudan's Sesame Seed Export Prospects Favorable	14
Indonesia's Palm Oil Exports Higher in First Quarter 1961; Palm Kernel Exports Lower	15
Brazilian Peanut Exports Increase Despite Production Decline in 1962 . .	18

FOREIGN TRADE DEVELOPMENTS

Pakistan Encourages Cooperative Farming.....	5
U.S. Agricultural Imports From Latin American Republics	
Lowest Value Since 1947.....	17

(Continued on following page)

UNITED STATES DEPARTMENT OF AGRICULTURE
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WASHINGTON 25, D. C.

FRUITS, VEGETABLES, AND NUTS

Denmark Frees Apple Imports.....	2
Mexican Winter Vegetable Shipments.....	2
Frozen Strawberries Arrive from Mexico.....	2

GRAINS, FEEDS, SEEDS, AND HOPS

India's Rice Acreage Continues To Increase.....	10
South Africa Increases Wheat Support Prices.....	11
Netherlands Reduces Levy on Wheat Flour Imports.....	12
Black Beans in Short Supply.....	12
British Mixed Feeds at New High.....	13

LIVESTOCK AND MEAT PRODUCTS

U.S. Animal Fats and Oils Exports Down 4 Percent in 1961.....	6
Nigeria Interested in Importing Santa Gertrudis Cattle.....	7
Canada Announces 1961 Wool Deficiency Payment.....	7
Australian Meat Shipments To The United States.....	8
Australia To Have Large Amounts of Beef for Export.....	8
Austrian Livestock Producers Interested in Associating with EEC.....	9

TOBACCO

Brazil's Leaf Tobacco Exports Up Sharply.....	3
Rhodesias-Nyasaland 1962 Flue-Cured Crop Down Slightly.....	3
U.S. Cigarette Exports Up Sharply in 1961.....	4

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MEXICAN WINTER

VEGETABLE SHIPMENTS

The following winter vegetables from the West Coast of Mexico crossed the border at Nogales, Arizona during the period February 1 to February 15, 1962 (in thousands of pounds with previous year's shipments in parentheses): sweet corn, 44 (11); cucumbers, 1,115 (543); eggplant, 200 (209); peas, 593 (1,051); peppers, 2,078 (1,186); squash, 157 (123); snap beans, 630 (541); tomatoes, 27,616 (15,773); and watermelons, 12 (65).

FROZEN STRAWBERRIES

ARRIVE FROM MEXICO

A preliminary report of the Foreign Agricultural Service indicates that frozen strawberry imports from Mexico for the week ending February 24, were 0.4 million pounds.

DENMARK FREES

APPLE IMPORTS

The Danish Ministry of Commerce has announced that imports of apples have been freed from April 15 to July 15. Pears have been freed from February 22 to July 31. Stocks of these fruits are reported to be small.

BRAZIL'S LEAF TOBACCO EXPORTS UP SHARPLY

Brazil's exports of leaf tobacco during the first 9 months of 1961, at 65.3 million pounds, were 25.4 million larger than for the same period in 1960.

Spain continued to be the most important export outlet for Brazilian leaf tobacco taking 21.5 million pounds, compared with 14.8 million in January-September 1960. Shipments to West Germany, at 12.6 million pounds, were nearly 3 times larger than for the 9 months of 1960. Shipments to the Netherlands, Switzerland, Algeria, and France were also considerably larger than for the comparable period in 1960.

TOBACCO LEAF: Brazil, exports by country of destination, January-September 1959-61

Country of destination	January-September		
	1959	1960	1961
	1,000	1,000	1,000
	pounds	pounds	pounds
Spain.....	10,386	14,798	21,515
Germany, West.....	5,117	4,321	12,615
Netherlands.....	7,579	5,520	9,041
Switzerland.....	1,362	1,534	3,627
France.....	3,788	---	3,355
Algeria.....	1,453	1,523	2,511
Uruguay.....	1,609	3,411	2,388
Germany, East.....	117	2,875	2,218
Others.....	4,522	5,868	8,032
Total.....	35,933	39,850	65,302

RHODESIAS-NYASALAND 1962 FLUE-CURED CROP DOWN SLIGHTLY

The 1962 flue-cured tobacco crop in the Federation of Rhodesia and Nyasaland is tentatively placed at 233.7 million pounds, compared with the 1961 record crop of 236.8 million. Planted acreage is reportedly about the same as the 230,000 acres last year. The slight decline in production is attributed to lower yields due to early season drought in Southern Rhodesia. Favorable growing conditions are reported in Northern Rhodesia and Nyasaland.

Fire-cured production is forecast at 20 million pounds, compared with the 1961 harvest of 15.6 million. Burley production is expected to be about 13 percent greater than the 1961 harvest of 4.6 million pounds. Tentative forecasts place Turkish production at 2.5 million pounds, compared with 1.2 million last year.

U.S. CIGARETTE EXPORTS UP SHARPLY IN 1961

U.S. exports of cigarettes rose to 22,337 million pieces in 1961--10.5 percent above the level of 1960. The 1961 exports were the largest for any calendar year since 1948, and the value set a record--\$97.3 million.

Principal markets for U.S. cigarettes last year included, in order of importance, Hong Kong, France, Gibraltar, Belgium-Luxembourg, Uruguay, Singapore, Kuwait, the Netherlands Antilles, Italy, and Panama. All of these destinations, with the exceptions of Gibraltar and the Netherlands Antilles, took more U.S. cigarettes in 1961 than in 1960. Other important markets purchasing more cigarettes last year than in 1960 were Sweden, the Netherlands, Switzerland, Morocco, Spain, Peru, and Colombia.

CIGARETTES: U.S. exports, by country of destination, 1959-1961

Destination	1959	1960	1961	Percent change :1961 over 1960
	Million pieces	Million pieces	Million pieces	Percent
Hong Kong.....	1,365	1,577	1,651	+4.7
France.....	1,202	1,370	1,574	+14.9
Gibraltar.....	119	1,975	1,392	-29.5
Belgium-Luxembourg.....	890	933	1,127	+20.8
Uruguay.....	167	346	1,034	+198.8
Singapore.....	677	874	993	+13.6
Kuwait.....	628	820	848	+3.4
Netherlands Antilles.....	838	986	786	-20.3
Italy.....	479	594	741	+24.7
Panama, Republic of.....	306	385	678	+76.1
Sweden.....	535	609	649	+6.6
West Germany.....	427	542	627	+15.7
Netherlands.....	537	599	611	+2.0
Switzerland.....	314	455	592	+30.1
Morocco.....	2,392	415	534	+28.7
Spain.....	515	231	467	+102.2
Denmark.....	432	469	425	-9.4
Ecuador.....	472	446	414	-7.2
Peru.....	302	372	412	+10.8
Japan.....	25	509	406	-20.2
Malaya, Federation of.....	256	379	361	-4.7
Australia.....	103	368	341	-7.3
Colombia.....	262	269	339	+26.0
Canada.....	302	299	281	-6.0
Venezuela.....	2,260	116	1	--
Cuba.....	438	35	1/	--
Others.....	3,333	4,245	5,053	+19.0
Total.....	19,576	20,218	22,337	+10.5

1/ Less than 500,000 pieces.

Bureau of the Census.

FINLAND'S BUTTER EXPORTS DECLINE SHARPLY

Finland's 1961 exports of butter dropped 32 percent from the record level of 57 million pounds shipped in 1960.

Sales to the United Kingdom, Finland's most important market, were only 30 million pounds, compared with 50 million pounds a year earlier. Shipments to the other major outlets, Czechoslovakia and West Germany, also were below 1960.

During 1961, Finland sold 2 million pounds of butter to East Germany. Small shipments also were made to Sweden and Switzerland.

UNITED KINGDOM EATING MORE POULTRY

Consumption of poultry meat in the United Kingdom during 1961 has been estimated at 14.7 pounds per capita, a sharp increase over the 12.4 pounds consumed in 1960.

In 1957 consumption was only 8.1 pounds per person. Since that time the U. K. broiler industry has expanded rapidly, with production in 1960 reaching an estimated 100 million broilers. The consistent upward trend in consumption during the past few years has made the United Kingdom one of the leading consumers of poultry meat in Western Europe.

ITALY ANNOUNCES DOLLAR AREA POULTRY IMPORT QUOTA

A quota of \$240,000 for the importation of poultry from the dollar area in 1962 was recently announced by Italy's Ministry of Foreign Trade.

This authorization represents an increase of 20 percent over the 1961 quota for the dollar area. Italy's imports of poultry meat in 1960 amounted to about 10 million pounds, most of which was supplied by Hungary and Yugoslavia. Following announcement of an import quota for the dollar area in mid-year 1961, a small quantity of U.S. poultry, about 600,000 pounds, consisting mostly of turkeys, was exported to Italy.

PAKISTAN ENCOURAGES COOPERATIVE FARMING

To accelerate economic development, Pakistan is promoting cooperative farming and mechanization of agriculture.

Farmers will be offered subsidies in various forms to encourage membership. A farmer who operates 12.5 acres or less in West Pakistan, or 4 acres or less in East Pakistan, and does not join, will be subject to discriminatory practices designed to obtain their membership. Farms of the sizes mentioned account for about half of the cultivated land in each province.

U.S. ANIMAL FATS AND OILS EXPORTS DOWN 4 PERCENT IN 1961

U.S. exports of animal fats and oils declined 4 percent in 1961 to 2,245 million pounds.

Lard exports dropped 200 million pounds because of the loss of the Cuban market and reduced U.K. purchases. The decline in lard exports more than offset the increased shipments of inedible tallow and greases.

Most of the increased tallow and grease exports resulted from the 200 million pounds sold to the Soviet Union and larger Japanese purchases which more than offset reduced purchases by Western European countries, particularly Italy and the Netherlands.

ANIMAL FATS AND OILS: U.S. exports by types, calendar years 1957-61

Commodity	1957	1958	1959	1960	1961	Increase(+) or decrease (-) 1961
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
Edible:						
Lard.....	501.4	388.9	604.2	620.0	418.6	-201.4
Tallow.....	6.6	5.1	12.9	11.8	3.4	-8.4
Oleo oil 1/.....	3.6	3.6	4.5	4.4	4.3	-.1
Oleo stock.....	3.1	3.9	5.6	2.4	.7	-1.7
Shortenings, animal fat, excluding lard.....	.7	.6	1.0	1.2	3.8	+2.6
Total edible.....	515.4	402.1	628.2	639.8	430.8	-209.0
Inedible:						
Tallow.....	1,282.9	1,040.2	1,328.4	1,514.4	1,593.1	+78.7
Animal greases and animal fats.....	95.4	69.0	122.4	174.0	203.0	+29.0
Animal oils, nes. 2/.....	6.3	3.0	6.5	7.8	8.3	+.5
Oleic acid or red oil.....	.9	.9	1.0	1.4	1.4	---
Stearic acid.....	5.5	6.8	6.0	7.4	8.1	+.7
Total inedible.....	1,391.0	1,119.9	1,464.3	1,705.0	1,813.9	+108.9
Total edible & inedible.....	1,906.4	1,522.0	2,092.5	2,344.8	2,244.7	-100.1

1/ Includes oleo stearin. 2/ Includes neatsfoot oil.

Bureau of Census.

NIGERIA PLANS TO IMPORT SANTA GERTRUDIS CATTLE

The Northern Nigerian Ministry of Animal Health and Forestry is planning to set up two breeding ranches to be stocked with Santa Gertrudis cattle from the United States.

One ranch is to be located in Bornu Province and the other in Sokoto Province. Plans call for imports of 62 bulls and 40 heifers. The heifers will be used for the production of additional purebred breeding stock. Most of the bulls will be used to breed selected cows from native herds. A program of breeding, feeding, and range management is contemplated. The Agency for International Development (AID) probably will be asked to assist in these programs.

Plans are also being made for construction of a slaughter plant at Kaduna with a daily capacity of 150 head of cattle. The plant will have large cold storage facilities and a ranch to accommodate cattle awaiting slaughter.

At present, several plane loads of beef hindquarters have been shipped from Northern Nigeria to Lagos, the capital city. It is too early to tell if this venture has been a financial success.

Nigeria may have as many as 9 or 10 million cattle. These are concentrated in the area north of the Niger and Benue Rivers. They are mostly owned by nomads who travel many miles each season with their grazing herds. Beginning about May each year the herds travel north with the rainy season fanning out into Dahomey, Niger, and Chad. The return trip usually begins when the rainy season ends and water holes dry. The southward movement brings some cattle back down into Cameroun and the British Cameroons. AID programs have assisted in the drilling of 160 wells in northeastern Nigeria in 1959-61 which has permitted better use of current grazing resources.

CANADA ANNOUNCES 1961 WOOL DEFICIENCY PAYMENT

The Canadian Department of Agriculture has announced that wool growers will receive a deficiency payment of 22 cents per pound (U.S. 20 cents) for the 1961 clip. The deficiency payment for the 1960 clip was 23 cents (23 cents at 1961 rates of exchange).

The Canadian deficiency payment is the difference between the support price, 60 cents per pound (57 cents) and the average market price f.o.b. Toronto for the two basic grades: (1) Western range choice half blood staple, and (2) Eastern domestic quarter blood staple.

1961 production was estimated at 6 million pounds, about the same as 1960, and less than 3 percent of U.S. shorn wool production.

AUSTRALIAN MEAT SHIPMENTS TO THE UNITED STATES

Two ships left Australia the first week in February with 1,724,800 pounds of beef and 123,200 pounds of mutton for the United States.

Ship	Sailing date	Destination <u>1/</u>	Arrival date	Cargo	Quantity
					<u>Pounds</u>
Gudrun Bakke.....	Feb. 6	Seattle	Mar. 25	Beef	44,800
		Portland	" 30	Beef	33,600
		Los Angeles	Apr. 14	Beef	235,200
		" "	" "	Mutton	22,400
		San Francisco	" 19	Beef	38,080
		" "	" "	Mutton	56,000
Coolgardie.....	Feb. 8	Los Angeles	Feb. 26	Beef	804,160
		San Francisco	Mar. 5	Beef	418,880
		" "	" "	Mutton	11,200
		Seattle	" 12	Beef	150,080
		"	" "	Mutton	33,600

1/ Cities listed indicate location of purchaser and usually the port of arrival and general market area, but meat may be diverted to other areas for sale.

AUSTRALIA TO HAVE MUCH BEEF FOR EXPORT

Australian beef exports probably will continue large during the current season. Export slaughter plants in Queensland are now ready to open for the season and heavy cattle marketings are expected following four months of good moisture and pasture conditions in major cattle areas. But exports of boneless mutton this year are expected to be below 1961 reflecting reduced sheep slaughter because of improved wool prices.

Australia exported 627 million pounds of meat in 1961 consisting of 367 million of beef and veal, 47 million of lamb and 99 million of mutton. The United States was the largest market for Australian beef (Foreign Crops and Markets, March 5, 1962).

Beef cattle numbers on farms March 31, 1962 are expected to be greater than the record 12.4 million on hand a year earlier. Improved herd and ranch management is increasing the grazing capacity and is shortening the period of time necessary to raise cattle to marketable weights. Although no significant change in dairy cattle numbers is anticipated, the buildup in beef cattle herds will probably continue during at least the next few years providing seasonal conditions are reasonably favorable.

Cattle slaughter during 1961 rose from the low level of the previous year but was below the records reached in 1958 and 1959. During the past few years slaughter has included many old cows and bulls which formerly would die on the ranches because marketing would not prove profitable. Cattle prices during late 1961 and early 1962 were still high but were considerably below a year earlier.

Sheep slaughter rose again in 1961 reflecting the near record numbers on farms and the strong demand in the United States for boneless meat. Fewer lambs were slaughtered because of strong replacement demand. Drought in major sheep areas also encouraged slaughter of old ewes and wethers. There has been a noticeable tendency to produce lambs throughout the year for home consumption and a shift away from spring lamb production for the U.K. market.

AUSTRIAN LIVESTOCK PRODUCERS INTERESTED IN ASSOCIATING WITH EEC

Austrian livestock producers are anxious to associate with the European Economic Community (EEC) in order to obtain tariff advantages on exports of livestock and meat to the six EEC countries. Furthermore, they feel that by joining the EEC, livestock and meat prices in Austria would eventually increase to the comparatively high average level prevailing in the present Common Market area.

Meat supplies per person in Austria are now the largest since World War II. The country is a net exporter of livestock and meats although it is a net importer of pork and live hogs. Imports of slaughter hogs declined substantially in 1961 as the government bought hogs under its supply management program for pork.

West Germany suspended imports of Austrian cattle on September 4, 1961 and this was followed by an import ban by Italy on October 8. The German ban was relaxed at the end of October but Austrian prices were so depressed that government price support purchases were necessary, largely canned beef for army stocks.

Quantitative restrictions by importing countries are not the only concern of Austrian livestock producers. They now face higher tariffs on shipments to the EEC and the tariff preference accorded EEC members. Austrian slaughter cattle exports to West Germany, for example, are now subject to a duty of 11.8 percent ad valorem compared with 7 percent on imports from France or the other EEC countries. The duty on slaughter hog exports to Germany is now 10.4 percent while hogs may enter Germany from any part of the EEC at 5.5 percent. Tariff differences will increase in the years ahead as the EEC gradually removes internal tariffs and sets its common external tariffs.

INDIA'S RICE ACREAGE CONTINUES TO INCREASE

India's rice acreage planted in 1961-62 is expected to exceed the previous highest level of 1960-61.

Acreage planted as of December 1 is estimated at 78,951,000 acres compared with 78,594,000 in 1960-61, in the second official estimate. This does not include about 5 million acres planted later in the season.

Acreage continued to increase in all states, except West Bengal, Kerala, and Bihar. Acreage in West Bengal--about 14 percent of India's rice acreage--declined from 11,300,000 to 10,700,000 acres. The decrease was due to unfavorable weather and diversion of acreage to other crops, principally jute.

In Bihar (16 percent of the total rice acreage) plantings approximated those of last year. The autumn crop was reported poor in most districts of the state, but there was great improvement in the condition of the winter crop.

RICE: India's second estimate of planted acreage, 1961-62
(as of December 1, 1961), and the corresponding
adjusted estimate for 1960-61

State	1960-61 adjusted estimate	1961-62 second estimate	Increase or Decrease
	1,000 <u>acres</u>	1,000 <u>acres</u>	1,000 <u>acres</u>
Andhra Pradesh.....	5,689	5,902	+213
Assam.....	4,300	4,352	+52
Bihar.....	12,961	12,954	-7
Gujarat.....	964	1,074	+110
Kerala.....	1,727	1,675	-52
Madhya Pradesh.....	10,064	10,174	+110
Madras.....	4,331	4,349	+18
Maharashtra.....	3,058	3,088	+30
Mysore.....	2,253	2,292	+39
Orissa.....	9,303	9,303	--
Punjab.....	939	1,095	+156
Uttar Pradesh.....	10,218	10,425	+207
West Bengal.....	11,347	10,744	-603
Others.....	1,440	1,524	+84
Total.....	78,594	78,951	+357

All-India Second Estimate of Rice, 1961-62, February 1, 1962.

SOUTH AFRICA INCREASES WHEAT SUPPORT PRICES

The Republic of South Africa has increased its guaranteed producer prices of wheat for the 1961-62 (November-October) marketing season by about 8 South African cents per 200 pounds (U.S. 3.4 cents per bushel) above the 1960-61 levels, for all grades.

These prices are based on cost of wheat production in that country and other relevant factors. They are fixed annually by the government's Wheat Industry Control Board with the approval of the Minister of Agriculture. The Board is the sole purchaser of wheat from the farmers.

The prices fixed for the four grades are subject to a uniform deduction of $12\frac{1}{2}$ South African cents per 200 pounds (U.S. 5.3 cents per bushel) for paying the buying agent's commission, and a deduction equivalent to U.S. 0.4 cents for a research fund. Since the deductions are the same as last year, the net as well as the base guaranteed producer wheat prices were increased about 8 South African cents.

WHEAT: Republic of South Africa, 1961-62 support prices

Grade	: Base : price	: Commission: : deduction	: Levy : for : research	: Net : price	::	: Base : price	: Commission: : deduction	: Levy : for : research	: Net : price
	: Rands and cents per 200 pounds 1/				::	: U.S. dollars per bushel			
A	5Rd 76c	$12\frac{1}{2}$ c	1c	5Rd $62\frac{1}{2}$ c	::	2.42	.053	.004	2.36
B	5Rd 66c	$12\frac{1}{2}$ c	1c	5Rd $52\frac{1}{2}$ c	::	2.38	.053	.004	2.32
C	5Rd 61c	$12\frac{1}{2}$ c	1c	5Rd $47\frac{1}{2}$ c	::	2.36	.053	.004	2.30
D	5Rd 36c	$12\frac{1}{2}$ c	1c	5Rd $22\frac{1}{2}$ c	::	2.26	.053	.004	2.20

1/ One rand equals 100 South African cents.

These are the guaranteed producer prices for wheat in jute bags f.o.r. the producers' railroad station. For wheat delivered by the farmers in bulk, 27 South African cents per 200 pound bag (U.S. 11.3 cents per bushel) are deducted. The Wheat Industry Control Board fixes the prices at which it sells wheat domestically to millers and other buyers.

The Republic of South Africa is on a net import basis for wheat. The Board is the sole importer of wheat and wheat flour and meal, subject to permits issued by the Minister of Agriculture. The government also fixes and subsidizes the prices at which millers sell flour and meal, and fixes and subsidizes the prices of bread.

NETHERLANDS REDUCES LEVY ON WHEAT FLOUR IMPORTS

The Netherlands government recently reduced its wheat flour import levy from 6 to 5 florins per quintal (from U.S. 75.2 cents to 62.7 cents per 100 pounds).

This action followed a change made in January by the government in the basis for the determination of the levy. The levy formerly was based on the price difference in the Netherlands between domestic wheat and comparable soft U.S. wheats. The basis now is the price difference between domestic wheat and the types of U.S. wheats customarily imported by Dutch millers for, among other purposes, producing flours which are comparable in quality to imported flours.

The Netherlands had increased this levy from 1.1 to 5 florins per quintal (13.8 cents to 62.7 cents per 100 pounds) on January 1, 1961, and to 6.5 florins per quintal (81.5 cents per 100 pounds) on June 20, 1961. Owing to increases in wheat prices in the United States, the government reduced the levy to 6 florins per quintal last November.

The levy will be changed if, on the basis of the average of the above price differences for four successive Mondays, it is either too low or too high by at least .25 florins per quintal (3.1 cents per 100 pounds). The new rate of 5 florins per quintal also applies to imports of wheat semolina.

However, the levies for these two commodities will be determined in this manner only until July 1, 1962. From that date they will be fixed in accordance with the Grain Ordinance of the European Economic Community (Common Market), of which The Netherlands is a member.

BLACK BEANS IN SHORT SUPPLY

Protracted drought in Venezuela has reduced the 1961-62 bean harvest to an estimated 30,700 metric tons, or 38 percent below the 49,842 tons in 1960-61.

The late harvest (November 1961-February 1962) was hardest hit as the earlier and smaller harvest (January-August 1961) was down only moderately. Black beans constitute approximately 80 percent of the bean production in Venezuela.

Because of the shortage of black beans, wholesale prices have risen 15 percent since last July and in a recent 5-month period imports have increased to 20 percent above the comparable period a year earlier. These imports came from Brazil and the United States, about 6,000 and 3,000 tons, respectively.

Unofficial sources indicate that the local Venezuelan crop is almost sold out and that black beans may be short in Brazil. Brazil recently imposed ceiling prices at the retail level on black beans.

BRITISH MIXED FEEDS AT NEW HIGH

Mixed feed production in Great Britain in 1961 totaled a record 7.9 million long tons, 2.2 percent greater than in the previous year. Poultry feed at 3.6 million tons gained 7.8 percent, pig feed at 1.4 million tons increased 2.7 percent, and cattle feed at 2.6 million tons declined 4 percent.

THAILAND'S PEANUT PRODUCTION AND EXPORTS UP IN 1961

Thailand's peanut production in 1961, provisionally estimated at 181,879 short tons (unshelled basis), was approximately 9 percent larger than the 166,337 tons produced in 1960.

Peanut production has been on the upward trend in recent years, probably stimulated by the government's continuous concentration on the north-east area development project and by increasing export demands.

Exports of peanuts, peanut oil and cake increased significantly in 1961. This increase is attributable, in part, to slightly lower domestic prices.

Exports of shelled and unshelled peanuts, for fair average quality, rose from 10,908 tons in 1960 to 14,120 tons in 1961. There have been no shipments of selected quality peanuts because Thailand's grading of this product has not been recognized by the international markets. Hong Kong, Malaya, Singapore, Penang, and British North Borneo have been the most important importers.

Exports of peanut oil and cake increased sharply in 1961 and amounted to 1,537 and 7,332 tons, respectively. Virtually all the oil and cake was consumed by Hong Kong and British North Borneo. Only small quantities of peanut cake were exported to the Western European market.

WEST GERMANY'S FISH OIL MARKET SLUGGISH

Sales of imported fish oil in West Germany continued to be slow through February. Margarine manufacturers have large fish oil stocks on hand, which reportedly are sufficient to carry their production through May-July 1962. The prospect of significant quantities of whale oil appearing on the market in the next few months has had an additional depressing effect.

The price of U.S. menhaden oil has decreased from about \$120 per metric ton, c.i.f. Rotterdam, in early December 1961, to about \$110 per metric ton in February. These sales prices are low in relation to prices of about \$150 per metric ton in the comparable period of 1960. It is anticipated that April-May and May-June shipments to the Continent will be at prices of about \$112 per metric ton.

SUDAN'S CASTOR BEAN HARVEST TO BE LARGE

Sudan's castor bean crop, now being harvested, is estimated at approximately 10,500 short tons (undecorticated). The outturn is expected to be sold abroad at about £S 50 per metric ton (6.5 cents per pound). Last year the entire production of 6,000 tons was sold to West Germany.

Castor beans appear to have a good future in Sudan as an export crop. Production has been expanded in the Gash delta (north eastern border area) in the last few years. Plans call for a further increase in the Gash area as part of the Sudan's agricultural diversification program. By 1968, Sudan expects to produce 22,000 tons of castor beans.

SUDAN'S SESAME SEED EXPORT PROSPECTS FAVORABLE

Sudanese 1961 production of sesame seed, provisionally estimated at 137,788 short tons, was slightly larger than the 132,276 tons produced in 1960.

With the production expansion in recent years Sudan now appears to be well established as the world's leading sesame seed exporter. Shipments in 1960 totaled 84,179 tons with Venezuela, Italy, Spain, and Egypt as the principal markets.

The export market in 1961 appears to have been good. The entire export surplus was reportedly moved. The latest export figure for 1961, January-October, is 56,793 tons. Venezuela was again the principal market in January-August 1961 with the U.S.S.R., Egypt, Italy, and Mainland China following.

The outlook for the export market in 1962 appears to be favorable. The following contracts, based on the 1961 harvest, already have been reported: Spain, 22,046; Venezuela, 16,534; Egypt, 8,818; Japan, 5,512; Lebanon-Syria, 5,512; and Italy 3,307 for a total of 61,729 tons.

Sesame seed prices rose from £ 67 per metric ton (about \$170 per short ton) for Sudanese seed, c.i.f. Western European ports, in early January to an average of £ 80 (about \$203) for the three following months. Thereafter they tended to decline, being quoted at only £ 65 (about \$165) in October. Prices became firmer during the last two months of 1961 and advanced further in the first two months of 1962, being quoted at about £ 86 (about \$218) in February. Thus, there is every assurance that the entire export availability estimated at 69,445 tons will be contracted at favorable prices in 1962.

A small quantity of crude sesame oil is exported. Nearly all the oilcake and meal is exported to the Netherlands and Belgium, the latter country showing a marked increase in consumption in 1961.

SUDAN: Sesame seed and Sesame oil and cake exports by country of destination, 1959, 1960 and January-August 1961

Country of destination	1959	1960	Jan.-Aug. 1961
	Short tons	Short tons	Short tons
Sesame seed:			
Venezuela.....	1,713	24,954	16,777
Italy.....	13,503	15,375	4,737
Spain.....	1,871	12,159	1/
Egypt.....	10,472	11,404	6,520
Belgium.....	6,211	4,709	3,402
Other.....	15,517	15,578	2/ 20,724
Annual total.....	49,287	84,179	---
Jan.-Aug. total.....	37,218	56,312	52,160
Sesame oil: 3/			
Annual total.....	627	901	---
Jan.-Aug. total.....	403	520	629
Sesame oil cake and meal:			
Netherlands.....	6,276	7,338	5,570
Belgium.....	7,719	6,160	12,174
Other.....	2,949	765	1,611
Annual total.....	16,944	14,263	---
Jan.-Aug. total.....	8,975	7,619	19,355

1/ Including "other". 2/ Including USSR, 8,060; China, 4,338; Japan, 2,820. 3/ Mostly to Near East countries.

INDONESIA'S PALM OIL EXPORTS HIGHER IN FIRST QUARTER 1961; PALM KERNEL EXPORTS LOWER

In the January-March quarter of 1961 Indonesia's exports of palm oil were 14 percent above shipments in the corresponding period of 1960. According to detailed trade statistics recently made available, substantial shipments to the United States accounted for most of this increase. Of the total 26,607 short tons exported in January-March 1961, 3,732 tons went to the United States who took none in the first quarter of 1960. Although exports to most European countries were lower, a gain was also made in shipments to Japan and the Philippines.

Indonesia's exports of palm kernels were 9 percent lower in the January-March 1961 period. A decrease in shipments to Europe more than offset a gain in exports to Japan.

(Table on next page)

PALM OIL AND PALM KERNELS: Indonesia, exports ^{1/}by country of destination,
annual 1960 and January-March 1960-61

Continent and country of destination	Palm oil			Palm kernels		
	1960 ^{2/}	January-March		1960 ^{2/}	January-March	
		1960 ^{2/}	1961 ^{2/}		1960 ^{2/}	1961 ^{2/}
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
North America:						
United States.....	3,382	---	3,732	---	---	---
Total.....	3,382	---	3,732	---	---	---
Europe:						
Belgium-Luxembourg....	60,566	10,374	10,240	7,715	1,559	886
Denmark.....	---	---	---	1,604	---	332
France.....	297	297	---	---	---	---
Germany, West.....	15,009	2,740	1,418	5,636	2,871	1,112
Italy.....	7,734	1,984	2,125	---	---	---
Netherlands.....	---	---	---	---	---	---
Poland.....	---	---	---	724	180	---
United Kingdom.....	---	---	334	---	---	---
Total.....	83,606	15,395	14,117	15,679	4,610	2,330
U.S.S.R.....	527	---	---	---	---	---
Asia:						
Japan.....	13,166	2,738	3,669	18,082	2,876	4,697
Penang.....	12,117	3,071	2,811	3,168	416	151
Philippines.....	5,752	1,576	2,278	---	---	---
Total.....	31,035	7,385	8,758	21,250	3,292	4,848
Oceania:						
Australia.....	392	---	---	---	---	---
New Zealand.....	---	---	---	---	---	---
Total.....	392	---	---	---	---	---
Grand total.....	3/ 119,603	22,780	26,607	36,929	7,902	7,178

^{1/} Net weight.

^{2/} Preliminary.

^{3/} Does not add due to unspecified corrections.

Compiled from official sources.

U.S. AGRICULTURAL IMPORTS FROM LATIN AMERICAN REPUBLICS LOWEST VALUE SINCE 1947

Preliminary statistics indicate U.S. agricultural imports from the 20 Latin American Republics during 1961 amounted to \$1,554 million, the lowest since 1947 and 34 percent below the peak in 1951. The percent of total U.S. agricultural imports supplied by Latin American Republics has declined from roughly 50 percent during the past decade to 42 percent in 1961. Much of the decline was in coffee and sugar.

Green coffee imports in 1961, for example, amounted to \$816 million, \$59 million less than 1960 and \$485 million less than 1956 when coffee imports were \$1,301 million. This fall reflects lower coffee prices. In 1956 coffee from Latin America averaged 52.8 cents per pound while in 1961 it averaged only 35.2 cents per pound. During 1961 the United States imported slightly less coffee from the 20 Republics than in previous years.

Between 1956 and 1960 U.S. imports averaged \$370 million of raw sugar annually from the 20 Latin American Republics as compared to \$222 million in 1961. During the 1956-60 period, imports of sugar from Cuba alone averaged \$323 million. The 1960 imports from there were 33 percent less than in 1959, and during 1961 the United States imported no sugar from Cuba. Cuba's sugar commitments to Communist Bloc countries under barter trade agreements, and its hostility toward the United States, created doubts as to the wisdom of relying on Cuba for sugar. Therefore, in July of 1960 the U.S. Government cut Cuba's sugar quota for the remainder of the year by 700,000 short tons. The 1961 quota was later set at zero. During the past year, for the first time, the United States bought 302 million pounds of non-quota allocation sugar from India. Sugar imports from the Philippines were 357 million pounds more than in 1960.

Other important agricultural imports from Latin America are bananas, worth \$77 million; and cacao, worth \$42 million.

Of the 20 Latin American Republics, Brazil is our No. 1 consignor, supplying about 31 percent of agricultural goods, valued at \$484 million--about 1,141 million pounds of raw coffee valued at \$368.5 million, \$34.4 million sugar and \$20 million cacao. Mexico is our second supplier providing us with \$260 million of agricultural products--\$66.6 million sugar, \$62.2 million raw coffee, and a variety of other commodities. Colombia supplied \$231.5 million; \$225.7 million raw coffee and \$4.5 million sugar.

(Table on next page)

UNITED STATES: Agricultural imports from the 20 Latin American
Republics, calendar years 1959-61

Country	1959	1960	1961 :(Preliminary)
	Thousand dollars	Thousand dollars	Thousand dollars
Mexico.....	201,161	223,046	260,112
Guatemala.....	61,325	54,033	54,681
El Salvador.....	35,720	27,528	30,802
Honduras.....	21,498	29,597	27,475
Nicaragua.....	12,714	18,225	22,765
Costa Rica.....	31,528	32,992	37,646
Panama.....	16,918	16,671	13,602
Cuba.....	407,575	298,551	29,098
Haiti.....	11,549	11,762	13,324
Dominican Republic.....	62,275	96,291	72,979
Colombia.....	293,767	245,172	231,529
Venezuela.....	25,555	22,431	19,250
Ecuador.....	53,898	58,599	46,948
Peru.....	31,036	52,177	90,931
Bolivia.....	1,871	1,833	1,809
Chile.....	5,568	4,625	4,347
Brazil.....	552,559	495,482	484,074
Paraguay.....	5,536	6,358	6,224
Uruguay.....	15,024	14,312	18,650
Argentina.....	104,424	84,513	87,583
Total.....	1,951,501	1,794,198	1,553,829

BRAZILIAN PEANUT EXPORTS INCREASE
DESPITE PRODUCTION DECLINE IN 1962

The 1962 Brazilian peanut crop is forecast at 430,000 short tons, indicating a decline of one-fifth from the record crop of 1961 despite government attempts to encourage production.

The decline forecast for 1962 results from a severe drought during July-November which prevented farmers from preparing on schedule the land for the wet season crop. This resulted in diversion of peanut area into cotton and other crops. In general, the quality and oil content of the 1962 wet crop, now being harvested is superior to that of 1961.

PEANUTS: Brazil's harvested acreage and production,
annual 1959-1962 1/

Year	Harvested Area	Total Production
	<u>1,000 acres</u>	<u>1,000 short tons</u>
1959	630.7	394.1
1960	683.2	420.8
1961 <u>2/</u>	1,058.5	541.2
1962 <u>3/</u>	763.5	430.0

1/ Production listed by year of harvest and includes a wet and a dry season crop.

2/ Unofficial estimate.

3/ Unofficial forecast.

Although Brazil has exported no peanut oil in recent years, exports of peanuts, meal, and cake in 1961 set new records and may continue to rise in 1962 in spite of the smaller crop. The government has offered its large stocks of peanuts for export in 1962. These stocks were acquired and held in storage by the Government when prices fell below last season's minimum levels.

PEANUTS, PEANUT CAKE AND MEAL: Brazil's exports,
calendar years 1959-61

Year	Peanuts	Peanut cake and meal
	<u>1,000 short tons</u>	<u>1,000 short tons</u>
1959	1.1	42.9
1960	0.0	59.3
1961 <u>1/</u>	5.5	88.2

1/ Unofficial estimates.

The minimum price offered by the government for peanuts was raised from 600 Cruzeiros per 25-kilo bag in 1961 to 900 in 1962 (Foreign Crops and Markets, January 15, 1962). The increased minimum price, which is subject to greater discounts for lower grades, attempts to stimulate the production of a higher quality product.

INDIA EXPECTS SMALLER COTTON CROP

India's 1961-62 cotton crop is now estimated at 3,850,000 bales (500 pounds gross). This is below expectations earlier in the season, and also below the 4,630,000 bales grown in 1960-61.

This season's smaller crop is attributed to various unfavorable factors. Rains and pests caused damage in some areas earlier in the season. The crop is late, and in January prolonged cold weather damaged the maturing crop in the Andhra, Gujerat, and Madhya Bharat areas. Drought in southern areas hampered plant development. As a result, yields are expected to be considerably below last year's relatively high figure of 117 pounds per acre.

Production is lower this season despite an increase in acreage from 19 million acres last season to 19.3 million in 1961-62, based on the third official estimate. Most of the acreage increase this season is in Gujarat, Madhya Pradesh, Punjab, and Uttar Pradesh and is attributed to favorable weather at planting time. This increase, however, is offset to some extent by decreased acreage in Maharashtra, Mysore, Andhra Pradesh, and Rajasthan due to unfavorable weather at planting time.

Among the varieties, the estimated acreage increase is mostly in Broach Vijay, Americans, Dholleras, Malvi, and Bengals. A decline is reported in Virmar (including Jarilla) Oomras, and Hyderabad Gaorani.

CANADIAN COTTON CONSUMPTION UP

Canadian cotton consumption, based on the number of bales opened by mills, totaled 202,000 bales (500 pounds gross) in the first half of the current season.

Consumption during the August-January 1961-62 period was 15 percent above the 176,000 bales used in the comparable period a year earlier. Except for the 207,000 bales consumed in the same period of 1955-56, this is the highest rate of consumption since 1950-51 when 252,000 bales were opened.

Consumption in January was 35,000 bales, compared with 31,000 in the preceding month, and 30,000 in January 1961.

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